

MODEL STATE POLICIES

Pennsylvania and New York e-Care Programs

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States are now looking to aging services technologies such as electronic health status and wellness assessments, activity of daily living monitoring, medication management and others as tools to better serve the rapidly growing older adult and chronic disease populations while reducing care costs. More easily referred to as “e-Care,” new state policies help alleviate the problems of caregiver workforce shortages, travel time to deliver home and community based services, insufficient frequency of health monitoring needed to prevent unnecessary acute episodes, and isolation of older adults.

Pennsylvania and New York have implemented statewide e-Care policies. While they differ in scope and structure, both programs are innovative and serve as important examples of how states can incorporate new technology-enabled care modalities into Medicaid and other state programs serving older adults and persons living with chronic conditions. It is worth noting that Pennsylvania has established its program on a budget cost-neutral basis. Below is a brief summary of the programs, and program details are attached.

Pennsylvania TeleCare Program

On October 1, 2009, the Pennsylvania Office of Long-term Living released final regulations for the state’s “TeleCare” program available to residents age 60 or older. The program is the most comprehensive state program in terms of the range of e-Care services eligible for reimbursement.

Pennsylvania began its program as a Medicaid-waiver demonstration in September 2007, and then received CMS approval to include it in its waiver program beginning in July 2008. The state made a major policy step in its final TeleCare policy by expanding the program beyond Medicaid-eligible consumers to those in its sliding-scale “Options” program. Options program consumers whose income is below 125% of the Federal Poverty Level Guideline do not pay a cost share. The scale rises to 300% of the Federal Poverty Level Guideline, at which point the consumer would be responsible for 100% of the cost of Options Services including TeleCare.

Services covered under PA’s TeleCare program include health status measuring and monitoring service (telehealth), activity and sensor monitoring/personal emergency response services, and medication dispensing and monitoring service. One registered nurse in-person visit per month is included in the health status measuring and monitoring fees. Eligible providers include Medicare-certified home health agencies, durable medical equipment providers, personal care/homemaker providers, pharmacies and hospitals depending on the technology-enabled service being deployed. The state developed specific eligibility criteria for persons to participate in the program (*see attached regulations*).

Reimbursement is provided for installation and monthly fees and is managed by Area Agencies on Aging:

- Health Status Measuring & Monitoring: \$90 installation, \$10/day
- Activity & Sensor Monitoring: \$200/installation, \$80/mo.
- Medication Dispensing & Monitoring: \$50/mo.

New York Home Telehealth Program

The New York legislature in 2007 enacted a Medicaid "Home Telehealth" program on an 18-month pilot basis for telehealth and medication management technologies. The program includes monitoring of vital signs, patient education, medication management, equipment maintenance, and review of patient trends and/or changes in patient condition and identification of problematic changes requiring intervention. Eligible providers are home health agencies and long-term home health programs that are community based or affiliated with a nursing home or hospital. The state developed specific patient criteria to determine eligibility for the program (*see attached*).

In February 2008 the NY Department of Health released the pilot program regulations containing three tiers for monthly reimbursement depending on the degree to which technologies were integrated with point of care software and electronic medical records:

- Tier 1: \$270/month/patient – FDA approved Class II Device Capable of interoperability with Point of Care (POC) Software
- Tier 2: \$310/month/patient - Interconnected with POC software
- Tier 3: (rate to be developed) - Interconnected with EMR and statewide health information network
- Installation Fee: Providers can bill for a "one time" installation fee of \$50 for each Telehealth user.

In October, 2009 the NY Department of Health made the Home Telehealth Program a standard part of its state Medicaid program and converted the reimbursement structure to daily rates effective January 1, 2010. Installation continues at \$50 per installation with monitoring Tier 1 reimbursed at \$8.88 per day and Tier 2 at \$10.19 per day. Tier 3 interoperability has not yet been realized statewide; therefore no daily rate has been set.

Please see attachments for state program details.

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